

NOTICES OF FINAL RULEMAKING

The Administrative Procedure Act requires the publication of the final rules of the state's agencies. Final rules are those which have appeared in the *Register* first as proposed rules and have been through the formal rulemaking process including approval by the Governor's Regulatory Review Council or the Attorney General. The Secretary of State shall publish the notice along with the Preamble and the full text in the next available issue of the *Register* after the final rules have been submitted for filing and publication.

NOTICE OF FINAL RULEMAKING

TITLE 4. PROFESSIONS AND OCCUPATIONS

CHAPTER 1. BOARD OF ACCOUNTANCY

[R06-268]

PREAMBLE

- 1. Sections Affected**

R4-1-454	<u>Rulemaking Action</u>
R4-1-455.03	Amend
	Amend
- 2. The statutory authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**

Authorizing statute: A.R.S. § 32-703(B)(13)
Implementing statute: A.R.S. § 32-703(B)(8)
- 3. The effective date of the rules:**

September 9, 2006
- 4. A list of all previous notices appearing in the *Register* addressing the final rule:**

Notice of Rulemaking Docket Opening: 11 A.A.R. 2656, July 15, 2005
Notice of Proposed Rulemaking: 12 A.A.R. 938, March 31, 2006
- 5. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:**

Name:	Valerie M. Elliott, Executive Director
Address:	Arizona State Board of Accountancy 100 N. 15th Ave., Ste. 165 Phoenix, AZ 85007
Telephone:	(602) 364-0804
Fax:	(602) 364-0903
E-mail:	velliott@azaccountancy.gov
- 6. An explanation of the rule, including the agency's reason for initiating the rule:**

The rules will update material incorporated by reference and a statutory reference.
- 7. A reference to any study relevant to the rule that the agency reviewed and either relied on in its evaluation of or justification for the rule or did not rely on in its evaluation of or justification for the rule, where the public may obtain or review each study, all data underlying each study, and any analysis of each study and other supporting material:**

None
- 8. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:**

Not applicable
- 9. The summary of the economic, small business, and consumer impact:**

The rules are being amended to adopt the latest standards of practice in the profession for Peer Review and to correct a statutory reference. The primary groups that will be affected are the Board, registered certified public accounting firms and the public. The changes in the Standards for Performing and Reporting on Peer Reviews are designed to

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enhance the quality of the peer reviews and the usefulness of the peer review reports to the firms, regulators and the public. The key changes are: firms are required to assure the peer reviewer in writing that the firm is not aware of any situations where it or its personnel have not complied with requirements of the state board(s) of accountancy or other regulatory bodies, firms that wish to exclude an engagement must request a scope limitation waiver, and revisions are made to peer review reports and letters of comment that enable users of peer review reports to better understand the peer review process and matters identified during the reviews. The Standards for Performing and Reporting on Peer Reviews are available on the American Institute of Certified Public Accountants (AICPA) web site. In addition, the rulemaking corrects a statutory reference. The economic impact is minimal.

10. A description of the changes between the proposed rules, including supplemental notices, and final rules (if applicable):

Only minor technical changes were made throughout the rules to improve clarity, grammar, and consistency as suggested by G.R.R.C. staff.

11. A summary of the comments made regarding the rule and the agency response to them:

No comments were received.

12. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:

Not applicable

13. Incorporations by reference and their location in the rules:

The Standards for Performing and Reporting on Peer Reviews, published June 1, 2005, by the American Institute of Certified Public Accountants, New York, New York 10036-8775 or web site www.aicpa.org. The location in the rules is R4-1-454(J).

14. Was this rule previously made as an emergency rule?

No.

15. The full text of the rules follows:

TITLE 4. PROFESSIONS AND OCCUPATIONS

CHAPTER 1. BOARD OF ACCOUNTANCY

ARTICLE 4. REGULATION

Section

R4-1-454. Peer Review

R4-1-455.03 Professional Conduct: Other Responsibilities and Practices

ARTICLE 4. REGULATION

R4-1-454. Peer Review

- A.** No change
 - 1. No change
 - 2. No change
 - 3. No change
 - 4. No change
- B.** No change
 - 1. No change
 - 2. No change
 - a. No change
 - b. No change
 - c. No change
 - 3. No change
- C.** No change
- D.** No change
- E.** No change
- F.** No change
 - 1. No change
 - 2. No change
 - 3. No change

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- G.** No change
 - H.** No change
 - I.** No change
 - 1. No change
 - 2. No change
 - a. No change
 - b. No change
 - c. No change
 - J.** Each firm, review team, and member of a review team shall comply with the Standards for Performing and Reporting on Peer Reviews, published ~~June 1, 2003~~ June 1, 2005 by the American Institute of Certified Public Accountants, New York, New York 10036-8775 (www.aicpa.org), which is incorporated by reference. This incorporation by reference does not include any later amendments or editions. The incorporated material is available for inspection and copying at the Board's office.
 - K.** No change
- R4-1-455.03. Professional Conduct: Other Responsibilities and Practices**
- A.** No change
 - 1. No change
 - 2. No change
 - 3. No change
 - B.** No change
 - 1. No change
 - 2. No change
 - 3. No change
 - 4. No change
 - 5. No change
 - 6. No change
 - C.** No change
 - 1. No change
 - 2. No change
 - D.** Form of practice and name
 - 1. Certified public accountants or public accountants may practice public accounting, whether as owners or employees, only in a firm as defined in A.R.S. § ~~32-701.01(6)~~ 32-701(8).
 - 2. No change
 - E.** No change
 - F.** No change

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TITLE 13. PUBLIC SAFETY

**CHAPTER 6. DEPARTMENT OF PUBLIC SAFETY
SECURITY GUARDS**

[R06-269]

PREAMBLE

<u>1. Sections Affected</u>	<u>Rulemaking Action</u>
R13-6-01	Repeal
R13-6-02	Repeal
R13-6-03	Repeal
R13-6-04	Repeal
R13-6-05	Repeal
R13-6-06	Repeal
R13-6-07	Repeal
R13-6-08	Repeal
R13-6-09	Repeal
R13-6-10	Repeal
R13-6-11	Repeal

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R13-6-12	Repeal
R13-6-13	Repeal
R13-6-14	Repeal
R13-6-15	Repeal
R13-6-16	Repeal
R13-6-17	Repeal
R13-6-18	Repeal
R13-6-19	Repeal
R13-6-101	New Section
R13-6-102	New Section
R13-6-103	New Section
R13-6-104	New Section
R13-6-105	New Section
Article 2	New Article
R13-6-201	New Section
R13-6-202	New Section
R13-6-203	New Section
R13-6-204	New Section
R13-6-205	New Section
R13-6-206	New Section
R13-6-207	New Section
Article 3	New Article
R13-6-301	New Section
R13-6-302	New Section
R13-6-303	New Section
R13-6-304	New Section
Article 4	New Article
R13-6-401	New Section
R13-6-402	New Section
R13-6-403	New Section
R13-6-404	New Section
Article 5	New Article
R13-6-501	New Section
R13-6-502	New Section
R13-6-503	New Section
Article 6	New Article
R13-6-601	New Section
R13-6-602	New Section
R13-6-603	New Section
Article 7	New Article
R13-6-701	New Section
R13-6-702	New Section
R13-6-703	New Section
R13-6-704	New Section

2. The statutory authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):

Authorizing statute: A.R.S. § 32-2602(D)

Implementing statute: A.R.S. §§ 32-2607, 32-2608, 32-2611, 32-2612, 32-2613, 32-2614, 32-2616, 32-2617, 32-2621, 32-2622, 32-2623, 32-2624, 32-2632, 32-2633, 32-2635, 32-2636, 32-2639, 32-2640, 32-2641, and 41-1072

3. The effective date of the rules:

September 9, 2006

4. A list of all previous notices appearing in the *Register* addressing the final rule:

Notice of Rulemaking Docket Opening: 12 A.A.R. 151, January 13, 2006

Notice of Rulemaking Docket Opening: 12 A.A.R. 766, March 10, 2006

Notice of Proposed Rulemaking: 12 A.A.R. 941, March 31, 2006

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5. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:

Name: Lieutenant Laurence Burns, Licensing and Regulatory Bureau Commander
Address: P.O. Box 6638
Mail drop 1160
Phoenix, AZ 85005-6638
Telephone: (602) 223-2387
Fax: (602) 223-2928
E-mail: lburns@azdps.gov

6. An explanation of the rule, including the agency's reason for initiating the rule:

The Department is repealing existing rules and replacing them with new rules that are consistent with statute and Department practice. The rules provide detailed information regarding regulation of agencies that provide security guard services and individuals who act as security guards.

7. A reference to any study relevant to the rule that the agency reviewed and either relied on in its evaluation of or justification for the rule or did not rely on in its evaluation of or justification for the rule, where the public may obtain or review each study, all data underlying each study, and any analysis of each study and other supporting material:

None

8. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:

Not applicable

9. The summary of the economic, small business, and consumer impact:

In this rulemaking, the Department repeals rules that are more than 30 years old and replaces them with new rules that are consistent with statute, industry standard, and Department practice.

Most of the economic impact on security guard agencies and security guards results from statutory requirements rather than rule. It is statute that requires that security guard agencies be licensed and security guards be registered. It is statute that establishes the requirements for licensure and registration; requires the Department to set fees at an amount that fully recovers the cost of implementing the statutes; designates the information that must be on an identification card; requires pre-assignment and refresher training for security guards; requires the Department to establish a training curriculum; requires that security guard uniforms, badges, and insignia be approved by the Department; and designates 25 separate grounds for discipline.

The economic impact of the rules results from:

- Prescribing the form of an application and the procedure for submitting it,
- Requiring that a denied applicant wait one year before applying again,
- Requiring that an agency maintain personnel records for five years after an individual is no longer employed by the agency, and
- Specifying requirements for uniforms, badges, and insignia.

10. A description of the changes between the proposed rules, including supplemental notices, and final rules (if applicable):

Only minor, nonsubstantive changes were made between the proposed rules and the final rules.

11. A summary of the comments made regarding the rule and the agency response to them:

An oral proceeding was held on May 4, 2006. Mr. Howard Anderson appeared and asked whether the rules would require security guard agencies to replace the jackets worn by security guards. Two individuals submitted written comments. The comments and the Department's analysis of and response to each follow:

Comment	Department Analysis	Department Response
Will the requirement regarding prohibited color combinations for uniforms require security guard agencies to purchase new jackets?	No. R13-6-501(G) specifically indicates that a jacket may be any color. A jacket is required only to meet the requirements regarding patches and badges.	No change

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The pre-assignment training specified in R13-6-601 does not address the special training needs of armored-car guards.	The required pre-assignment training is only 8 hours and is a minimum standard for all security guards. Any security guard agency is free to supplement this training to address agency-specific needs.	No change
A.R.S. § 32-2616(D), which requires that a resident manager be designated if the qualifying party lives outside of Arizona, may conflict with the U.S. Constitution.	The Department is not free to change the requirements established by the Legislature.	No change
R13-6-103(D) should be changed to allow the Department to accept other forms of payment, such as credit cards and corporate checks.	The Department agrees that this would make it easier for some agencies.	The change was made.
R13-6-205 should be changed to allow a grace period during which an agency can continue to operate after departure of a qualifying party.	The Department wants to ensure that an agency does not operate without a qualifying party. However, allowing a brief grace period during which the agency can complete and submit a new application is reasonable.	The change was made.
R13-6-301(A)(2) requires the qualifying party to verify the accuracy of information provided by an applicant. This is not possible. The rule should be clarified to require that the qualifying party exercise care and diligence to verify the information.	The Department agrees.	The change was made.
Qualifications for a firearms-safety training instructor are specified but no qualifications are specified for instructors of pre-assignment or refresher training. Instructor qualifications should be specified.	Requirements are established for a firearms-safety instructor because of the skill and safety issues involved with use of firearms. That is also why the number of hours of firearms-safety training is greater. Similar issues are not involved with pre-assignment and refresher training.	No change

12. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:

None

13. Incorporations by reference and their location in the rules:

Form FD-258 (5-11-99), published by the U.S. Government Printing Office and available from the FBI (Attn: Logistical Support Unit, CJIS Division, 1000 Custer Hollow Road, Clarksburg, WV 26306) or online at www bookstore.gpo.gov is incorporated by reference in R13-6-101.

14. Was this rule previously made as an emergency rule?

No.

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15. The full text of the rules follows:

TITLE 13. PUBLIC SAFETY

**CHAPTER 6. DEPARTMENT OF PUBLIC SAFETY
SECURITY GUARDS**

ARTICLE 1. GENERAL PROVISIONS

Section

<u>R13-6-01.</u>	<u>Submission of application-Repealed</u>
<u>R13-6-02.</u>	<u>License information-Repealed</u>
<u>R13-6-03.</u>	<u>Branch office certificates-Repealed</u>
<u>R13-6-04.</u>	<u>Identification cards-Repealed</u>
<u>R13-6-05.</u>	<u>License notification-Repealed</u>
<u>R13-6-06.</u>	<u>Registered security guard-renewal of identification card-Repealed</u>
<u>R13-6-07.</u>	<u>Denial of applications: hearing-Repealed</u>
<u>R13-6-08.</u>	<u>License-termination date and renewal-Repealed</u>
<u>R13-6-09.</u>	<u>Revocation or suspension of license or registration certificate-Repealed</u>
<u>R13-6-10.</u>	<u>Employee records, business records-Repealed</u>
<u>R13-6-11.</u>	<u>Personal representative or fiduciary acting for licensee-Repealed</u>
<u>R13-6-12.</u>	<u>Firearms violations-Repealed</u>
<u>R13-6-13.</u>	<u>Complaints-Repealed</u>
<u>R13-6-14.</u>	<u>Use of name-Repealed</u>
<u>R13-6-15.</u>	<u>Uniforms, badges, insignia-Repealed</u>
<u>R13-6-16.</u>	<u>Vehicle markings, emblems, and insignia-Repealed</u>
<u>R13-6-17.</u>	<u>Liability insurance-Repealed</u>
<u>R13-6-18.</u>	<u>Absence of qualifying party-Repealed</u>
<u>R13-6-19.</u>	<u>Knowledge of laws and regulations required-Repealed</u>
<u>R13-6-101.</u>	<u>Definitions</u>
<u>R13-6-102.</u>	<u>General License Requirements</u>
<u>R13-6-103.</u>	<u>Fees</u>
<u>R13-6-104.</u>	<u>Identification Cards</u>
<u>R13-6-105.</u>	<u>Time-frames for Making License and Registration Determinations</u>

ARTICLE 2. AGENCY LICENSES

Section

<u>R13-6-201.</u>	<u>Application for an Agency License</u>
<u>R13-6-202.</u>	<u>Issuance of an Agency License</u>
<u>R13-6-203.</u>	<u>Agency License Renewal</u>
<u>R13-6-204.</u>	<u>Branch Office Certificate</u>
<u>R13-6-205.</u>	<u>Change of Qualifying Party</u>
<u>R13-6-206.</u>	<u>Restructure of an Agency</u>
<u>R13-6-207.</u>	<u>Business Name</u>

ARTICLE 3. REGISTRATION CERTIFICATES

Section

<u>R13-6-301.</u>	<u>Application for Registration Certificate</u>
<u>R13-6-302.</u>	<u>Renewal of Registration Certificate</u>
<u>R13-6-303.</u>	<u>Lost or Stolen Registration Certificate or Identification Card</u>
<u>R13-6-304.</u>	<u>Change in Name of Registrant</u>

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ARTICLE 4. APPEALS; COMPLAINTS; RECORDS

Section

<u>R13-6-401.</u>	<u>Denial of Agency License or Registration Certificate</u>
<u>R13-6-402.</u>	<u>Probation of Agency Licensee or Registrant</u>
<u>R13-6-403.</u>	<u>Employee and Business Records</u>
<u>R13-6-404.</u>	<u>Complaints</u>

ARTICLE 5. UNIFORMS AND VEHICLES

Section

<u>R13-6-501.</u>	<u>Uniforms, Badges, and Insignia</u>
<u>R13-6-502.</u>	<u>Business Attire and Plain Clothes</u>
<u>R13-6-503.</u>	<u>Vehicle Markings, Emblems, and Insignia</u>

ARTICLE 6. TRAINING

Section

<u>R13-6-601.</u>	<u>Security Guard Pre-assignment Training</u>
<u>R13-6-602.</u>	<u>Security Guard Refresher Training</u>
<u>R13-6-603.</u>	<u>Armed Security Guard Pre-assignment and Refresher Training</u>

ARTICLE 7. FIREARMS-SAFETY TRAINING INSTRUCTORS

Section

<u>R13-6-701.</u>	<u>Qualifications of a Firearms-safety Instructor</u>
<u>R13-6-702.</u>	<u>Application for Certification as a Firearms-safety Instructor</u>
<u>R13-6-703.</u>	<u>Firearms-safety Instructor Certification Renewal</u>
<u>R13-6-704.</u>	<u>Requirements of a Firearms-safety Instructor</u>

ARTICLE 1. GENERAL PROVISIONS

R13-6-01. Submission of application Repealed

- ~~A.~~** All applications for a license, registration certificate, or identification card must be presented in person by the applicant at the Arizona Department of Public Safety office in Phoenix, Tucson, Flagstaff, or Yuma by appointment. Each application must be complete, correct, and legible before acceptance. Each application will be examined for errors; if the application is found to be inaccurate, incomplete, or illegible, the application will be rejected.
- ~~B.~~** Each application shall be accompanied by the following documents where applicable:
- ~~1. Birth certificate~~
 - ~~2. Discharge papers (DD-214)~~
 - ~~3. Incorporation papers~~
 - ~~4. Insurance certificate~~
 - ~~5. Application fee~~
 - ~~6. Workman's Compensation certificate~~
 - ~~7. Training program~~
- ~~C.~~** Photographs and a set of classifiable fingerprints will be taken of the applicant at the Department of Public Safety at the time the application is received at the Department of Public Safety. It is mandatory that the fingerprint cards be of such quality as to be classifiable. In the event that the fingerprint cards are not classifiable, the processing of the application will cease until such time as a classifiable set of fingerprints is obtained.
- ~~D.~~** A separate application must be filed by each partner of a partnership and all persons who are holders of more than 10% of the controlling interest of the agency, each director, resident officer, manager or security guard.
- ~~E.~~** If the applicant is a corporation, the license shall be in the name of the corporation and the qualifying party.
- ~~F.~~** Applications will not be accepted from persons under the age of 18 years.

R13-6-02. License information Repealed

- ~~A.~~** Each license shall contain the name and address of the licensee, name and address of the licensed business, and the number of the license. The license shall be effective for a 12-month period from the date of issuance, and these effective dates shall be noted on the license.

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- ~~B.~~ When a license has been assigned to a licensee, this license shall be neither assignable nor transferable. The license number, when assigned, shall not be reassigned to any other license.
- ~~C.~~ If a licensee wishes to surrender his license before the expiration date, the license fee or any part thereof shall not be refunded. The license shall be posted in a conspicuous place in the principle office.

R13-6-03. Branch office certificates Repealed

- ~~A.~~ Issuance of a branch office certificate shall be mandatory. The branch office certificate shall be posted in a conspicuous place in the branch office. The license number under which a branch office certificate is issued shall be noted on the certificate, along with the name and address of the licensee, name of the business and address of the branch office, and the effective dates of the license.
- ~~B.~~ All employees of a branch office shall be employees of the licensed agency.
- ~~C.~~ A branch office is not a franchise operation of a licensee. A franchise operation of a licensee must be licensed as a separate agency.

R13-6-04. Identification cards Repealed

- ~~A.~~ Under each license issued a standard identification card, as prescribed by the Director, shall be issued to the licensee, managers, officers, partners, directors, associates, and security guards, after these individuals have filed an application with the Department of Public Safety and have met the qualifications where applicable. The identification card shall contain the following information:
 - 1. Name.
 - 2. Physical description.
 - 3. Photograph.
 - 4. Signature.
 - 5. Fingerprint.
 - 6. Name and address of licensee.
 - 7. Number of employer license.
 - 8. Number of card.
 - 9. Effective date of license.
 - 10. Arizona state seal.
- ~~B.~~ Identification cards are neither assignable nor transferable and are valid only during the effective dates of the license under which the card has been issued, and valid only as long as the card holder is employed by, or associated with the licensee.
- ~~C.~~ Upon the termination of a registered security guard, the agency licensee or his designate shall obtain the identification card of said employee and return the same to the Department of Public Safety within five days.
- ~~D.~~ Upon termination of employment, all employee identification cards must be returned to the licensed employing agency.
- ~~E.~~ All security guard employees shall obtain a standard identification card. All security guards employed by more than one licensee shall obtain an identification card for each licensed agency. The security guard, so employed, shall use only the identification card for his current employer during the employment by that licensee.
- ~~F.~~ If an identification card is lost or stolen, the Department of Public Safety shall be notified within 24 hours and arrangements shall be made for issuance of a duplicate identification card. A provisional identification card may be issued to an employee of a licensee pending the certification of the employee and the processing of the investigation into the employees background.
- ~~G.~~ The provisional identification card issued by the Department of Public Safety will have the expiration date written thereon and may be cancelled prior to that expiration date for good cause by notifying the licensee that the employee was found not to be qualified to hold an identification card issued by the state.
- ~~H.~~ When the licensee is notified that an employee is not qualified to perform the duties of a security guard in this state, the licensee shall obtain the identification card or provisional identification card of the employee and forward same to the Department of Public Safety within five days.
- ~~I.~~ Every licensee and every person holding a security guard registration certificate shall have the identification card (issued to such person by the Department of Public Safety), in his immediate possession at all times when on duty or in a security guard agency uniform or vehicle, and display the same, upon demand of any peace officer.
- ~~J.~~ Every application for a renewal security guard registration should contain a statement by the licensed agency, setting forth the training, if any, the renewal applicant has received as prescribed by A.R.S. § 32-2632.

R13-6-05. License notification Repealed

- ~~A.~~ The applicant for an original license, branch office certificate, security guard registration certificate, or identification card, or renewal of same, will be notified by mail when the document applied for is ready for issuance.
- ~~B.~~ The applicant will be advised whether or not a personal appearance at the Department of Public Safety will be required.
- ~~C.~~ Upon the payment of applicable fees and (where required) evidence of continuing qualification, the application will be approved and the proper document issued.

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R13-6-06. ~~Registered security guard—renewal of identification card~~ Repealed

- A.** The identification card issued to registered security guards shall be valid during continuing employment with the named licensed agency.
- B.** Upon termination, the employee shall return the identification card to the agency named on the identification card.
- C.** When a registered security guard has not worked as a security guard for a period of six months or more and desires to resume employment as a security guard, it will be necessary that the registered security guard be again fingerprinted and his qualifications reappraised. A temporary identification card may be issued during the time necessary for reappraisal.

R13-6-07. ~~Denial of applications: hearing~~ Repealed

- A.** If the Director or his designate determines that an applicant for a license does not possess the qualifications as prescribed by A.R.S. §§ 32-2612, 32-2615, or grounds have been established as set forth under A.R.S. § 32-2636, the applicant will be notified by registered mail of a hearing date, at which time the applicant may offer evidence to show cause why his application should not be denied.
- B.** If the Director or his designate determines that an applicant for security guard registration certificate does not possess the qualifications as prescribed by A.R.S. § 32-2622, or grounds have been established as set forth under A.R.S. § 32-2625, the applicant and his employer will be notified by registered mail, at which time the applicant may offer evidence to show cause why his application should not be denied.
- C.** The applicant will be notified of the date and time of the hearing which will not be less than 20 days after the applicant's receipt of hearing notification. Hearings will be held in compliance with A.R.S. § 32-2636.
- D.** A hearing officer will be designated by the Director. If the applicant does not appear at the hearing, the applicant will be notified by registered mail of the hearing findings. In all cases assigned to the hearing officer for hearing, the hearing officer shall prepare proposed findings from fact and conclusion of law in such form that they may be adopted as the Director's findings and conclusions in the case. Upon the filing of the proposed findings and conclusions for the Director, the Director may review the case and make his decision based upon the record.

R13-6-08. ~~License—termination date and renewal~~ Repealed

- A.** The agency license shall expire 12 months from the date of issuance. The effective dates of the license shall also be the effective dates of the branch office certificate. Identification cards issued under each license shall remain in effect during the current status of the license. At the time the licensee submits a license renewal form, included shall be a statement to be signed by the licensee that no changes have been made in the location of principle office, branch office, associates, directors, partners, managers holding identification cards, and that none of the aforementioned have been changed without the Director being notified in writing prior to the renewal date. This statement shall also include a statement that the licensee has not been arrested or convicted of any felony or any crime of moral turpitude, or otherwise done anything which would disqualify the licensee from obtaining such license, since having been licensed as a security guard agency.
- B.** No licensee shall transfer, assign, or make any change in the financial set up of his business which in any way results in any other person acquiring an interest of 10% or more in such business, or corporation holding such business, without the person acquiring such interest first complying with the provisions of A.R.S. §§ 32-2612 and 32-2613.
- C.** All forms, affidavits, or other documents required for renewal of an agency license shall be submitted not less than 30 days prior to the expiration date of the license. If the license or branch office certificate has not been renewed before the expiration date, they shall expire. The expired license and all branch office certificates and identification cards issued under that license shall be returned to the Department of Public Safety and are subject to seizure by any officer of the Department of Public Safety or by any peace officer.

R13-6-09. ~~Revocation or suspension of license or registration certificate~~ Repealed

- A.** If the Director, or his designate, determines grounds for revocation or suspension of a license or registration certificate, as set forth under A.R.S. § 32-2636, the licensee will be notified by registered mail at his licensed place of business of the facts involved.
- B.** The licensee or registered security guard and his employer will be notified of the date and time of the hearing on the revocation or suspension of the license or registration certificate which will be not less than 20 days after the applicant's receipt of hearing notification. Hearings will be held in compliance with A.R.S. § 32-2636 before a hearing officer designated by the Director. If the licensee or registered security guard does not appear at the hearing the licensee or registered security guard will be notified by registered mail of the hearing findings.
- C.** If a license or registration certificate is revoked by the Director, the former licensee or security guard cannot apply for reinstatement for a period of 12 months from the date of revocation. In all cases of revocation, it will be necessary to apply for reinstatement by filing an application form as prescribed by the Director and all applicants for reinstatement are then subject to the original application fee and cost of license upon issuance.
- D.** Upon revocation of a license or registration certificate, the license or registration certificate and all branch office certificates and identification cards issued under that license shall be returned to the Department of Public Safety immediately for cancellation and are thereby subject to seizure by any peace officer in the state of Arizona.
- E.** Upon the suspension of a registration certificate, the holder of the suspended registration certificate shall not perform the duties of security guard.

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~~F. Failure to comply with these provisions will provide cause for revocation of the license or certificate.~~

R13-6-10. Employee records, business records Repealed

Each licensee shall maintain at his principle place of business a file or record of the name, address, title, commencing date, and date of termination on each partner, director, business associate, officer, manager, or employee of the principle office and branch offices. These records shall be maintained for a period of two years.

R13-6-11. Personal representative or fiduciary acting for licensee Repealed

A person acting as administrator, executor or guardian of the estate of any licensee is authorized, if found to be qualified and upon receiving permission from the Director, to operate the licensed security guard agency under the authority of the license issued to the licensee for whom the person is acting for a period not exceeding six months from the date of the appointment of such person as administrator, executor or guardian.

R13-6-12. Firearms violations Repealed

- ~~A. No licensee or security guard employee of a licensee shall conduct himself in such a manner as to violate A.R.S. § 13-911, relating to concealed weapons.~~
- ~~B. No licensee or security guard employee of a licensee shall conduct himself in such a manner as to violate A.R.S. § 13-913, carrying weapons into election and polling place.~~
- ~~C. No licensee or security guard employee of a licensee shall conduct himself in such a manner as to violate A.R.S. § 13-916, exhibiting a deadly weapon other than in self-defense.~~
- ~~D. No licensee or employee of a licensee shall conduct himself in such a manner as to violate A.R.S. § 13-917, handling, carrying, or discharging firearms.~~

R13-6-13. Complaints Repealed

Complaints shall be in writing and shall be filed with the Department of Public Safety. A copy may be forwarded to the licensee against whom the complaint has been lodged at the direction of the Director. If the complaint involved alleged violations of Arizona Revised Statutes or these regulations, the Department of Public Safety may institute an investigation to ascertain if the violation has, in fact occurred. When an investigation indicates that there has in fact been a violation of the Arizona Revised Statutes or rules and regulations contained herein, the Director or his designate determine grounds for suspension or revocation of the license, procedures, as outlined in these laws and regulations, will be followed.

R13-6-14. Use of name Repealed

- ~~A. The name of the licensed agency shall not include, "United States", "U.S.", "Federal", "State of Arizona", or any name to associate the business with any other governmental agency or law enforcement agency.~~
- ~~B. The use of the words "Corporation", "Corp.", "Incorporated", or "Inc." will not be approved for an individual or partnership license unless corporate papers have been filed with the Corporation Commission.~~
- ~~C. Similar business names of licensed firms will not be approved.~~
- ~~D. The licensee, business associates, and employees will do business and present themselves under the name used in their application and identification card. No fictitious names will be approved for use on identification cards.~~
- ~~E. The licensed business shall do all business under the name and address which is on file with the Director and which is noted on the license. No letterhead other than the licensed name shall be used on any stationery, any advertising, formal contracts entered into with clients, payroll, and reports to clients.~~

R13-6-15. Uniforms, badges, insignia Repealed

- ~~A. No uniforms, shoulder patches, or badges shall be worn by any licensee or any of his employees without the prior written approval of the Director of the Department of Public Safety.~~
- ~~B. No licensee or officer, director, partner, manager, or an employee of a licensee shall use a title, or wear a uniform, or use an insignia, or use an identification card, or make any statement with the intent to give an impression that he is connected in any way with the Federal Government, a state government, or any political subdivision of a state government.~~
- ~~C. Shoulder identification patches shall be worn on all uniform jackets, coats, and shirts and bear the name of the security guard agency when worn as an outer garment.~~
- ~~D. The shoulder patches shall not be less than two inches by three inches in size.~~
- ~~E. No badge worn by a security guard agency shall bear markings similar to the markings used by any law enforcement agency of the Federal Government, the state, or any political subdivision thereof.~~
- ~~F. No seals, insignia, similar to any law enforcement agency or the words, "Police", "Police Officer", "Patrol Officer", "Patrolman", "Deputy", or "Marshal" shall appear on the badge.~~
- ~~G. All badges, uniforms, and shoulder patches shall be submitted to the Director of the Department of Public Safety for written approval.~~
- ~~H. All badges so approved shall be displayed only in conjunction with the security guard agency uniform.~~
- ~~I. Those agencies who are licensed prior to February 28, 1975, will have until February 28, 1976, to comply with this regulation.~~

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R13-6-16. ~~Vehicle markings, emblems, and insignia Repealed~~

- ~~A. No vehicle under the control of a security guard service shall bear markings similar to the markings used by any law enforcement agency of the Federal Government, the state, or any political subdivision thereof.~~
- ~~B. No seals, insignia, or the words "Police", "Police Officer", "Patrol Officer", "Marshal", "Deputy", or "Patrolman" shall appear on the vehicle.~~
- ~~C. All markings to be displayed on a vehicle under the control of a security guard agency must be submitted to the Director of the Department of Public Safety for written approval.~~
- ~~D. All vehicles under the control of a security guard agency will comply with the provisions of A.R.S. § 28-947(C).~~
- ~~E. No vehicle under the control of a security guard service shall display a red light other than to the rear. No such vehicle shall display a device, visible from the front of said vehicle, which might appear to be a red lamp.~~
- ~~F. With the exception of armored cars using a siren as a crime alarm device, no vehicle under the control of a security guard company shall be equipped with a siren or bell.~~

R13-6-17. ~~Liability insurance Repealed~~

- ~~A. An application for an original or renewal agency license shall provide a current certificate of a liability insurance policy issued by an insurance company licensed to do business in this state, in the amount of at least \$100,000.00 for any one person and an aggregate total of at least \$300,000.00.~~
- ~~B. The liability insurance coverage shall be for the legal liability for damages resulting from:
 - 1. Bodily injury: Covers legal liability for personal injury arising out of an occurrence involved in the operation of the agency.
 - 2. Property damage liability: Covers legal liability for damage to property of others arising out of any occurrence involved in the operation of the agency.
 - 3. Personal injury coverage: Covers legal liability for damages resulting from personal injury, including, but not limited to false arrest, false imprisonment, detention, libel and slander, malicious prosecution, invasion of privacy, wrongful eviction or wrongful entry, discrimination; limits as shown in subsection (A) above.~~

R13-6-18. ~~Absence of qualifying party Repealed~~

~~No qualifying party operating under a security guard agency license shall leave his licensed place of business, while operating under the management of someone other than himself, for a period of 30 days or more without filing in writing with the Department of Public Safety, giving the name of the person designated by him to conduct the business during his absence.~~

R13-6-19. ~~Knowledge of laws and regulations required Repealed~~

~~All licensees and their employees, whose duties require or permit their performance as a security guard, shall be familiar with the laws relating to security guards and the regulations of the Department of Public Safety relating to security guards.~~

R13-6-101. Definitions

In addition to the definitions in A.R.S. § 32-2601, the following definitions apply to this Chapter:

"Branch office" means a location other than the principal place of business shown on a qualifying party's agency license at which the qualifying party conducts the business of private security guard service.

"Branch office certificate" means a document issued by the Department to a qualifying party that authorizes the qualifying party to conduct the business of private security guard service in this state at a location other than the principal place of business shown on the qualifying party's agency license.

"Classifiable fingerprints" means fingerprint impressions that meet the criteria of the Federal Bureau of Investigation as contained in Form FD-258 (5-11-99), published by the U.S. Government Printing Office. This form is incorporated by reference and available from the Department and the FBI (Attn: Logistical Support Unit, CJIS Division, 1000 Custer Hollow Road, Clarksburg, WV 26306) or online at www.bookstore.gpo.gov. The material incorporated by reference contains no future editions or amendments.

"Corporation" or "domestic corporation" has the same meaning as prescribed in A.R.S. § 10-140.

"Foreign corporation" means a for-profit corporation that is incorporated under a law other than the law of Arizona.

"Limited liability company" means the same as corporation.

"Partnership" means an association of two or more individuals who are co-owners of a for-profit business organized under A.R.S. Title 29, Partnership.

"Probation" means a period during which an agency or individual who has violated A.R.S. Title 32, Chapter 26, is allowed to demonstrate compliance with licensure requirements to avoid having the Department take an administrative action such as suspension or revocation.

"Prohibited possessor" has the same meaning as prescribed in A.R.S. § 13-3101(A)(6).

"Resident manager" means an individual who meets all requirements for an agency license, is a full-time legal resident of Arizona, and is designated by a qualifying party who lives outside of Arizona to manage the agency of the qualifying

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party.

“Restructure” means to change the name or business form of a licensed agency.

“Sole proprietorship” means a business operated for profit by one owner.

R13-6-102. General License Requirements

- A.** The qualifying party for an agency license and the resident manager, if the agency will have a resident manager, shall meet the requirements under A.R.S. § 32-2612 and submit the application required under R13-6-201.
- B.** Each partner, officer, director, member, and manager of an agency, except the qualifying party and resident manager, shall meet the requirements under A.R.S. § 32-2622 and submit the application required under R13-6-301.
- C.** An applicant for a security guard or armed security guard registration certificate shall meet the requirements under A.R.S. § 32-2622 and submit the application required under R13-6-301.
- D.** An applicant for a firearms-safety training instructor certificate shall meet the requirements under R13-6-701 and submit the application required under R13-6-702.
- E.** An application form may be obtained in person at the Phoenix Licensing Unit office, by mailing a request to the Arizona DPS Licensing Unit, by telephone, or online at www.azdps.gov/license.
- F.** A completed application form may be presented in person at the Phoenix Licensing Unit office or by mail to the Arizona DPS Licensing Unit.
- G.** A blank application form may be duplicated to provide a copy to multiple individuals.

R13-6-103. Fees

- A.** Under the authority provided by A.R.S. § 32-2607, the Department establishes and shall collect the following fees:
 - 1. Original agency license application, \$500;
 - 2. Agency license, \$500;
 - 3. Application for renewal of an agency license, \$500;
 - 4. Agency restructure, \$100;
 - 5. Penalty for late application for renewal of an agency license, \$100;
 - 6. Resident manager license application, \$50;
 - 7. Resident manager license renewal application, \$50;
 - 8. Penalty for late application for renewal of resident manager license, \$10;
 - 9. Associate or security guard registration certificate, \$50;
 - 10. Associate or security guard registration certificate renewal, \$50;
 - 11. Armed security guard registration certificate, \$100;
 - 12. Armed security guard registration certificate renewal, \$100;
 - 13. Upgrade from security guard to armed security guard registration certificate, \$50;
 - 14. Replacement identification card, \$10;
 - 15. Armed security guard additional employer registration, \$10;
 - 16. Firearms-safety instructor certificate, \$50;
 - 17. Firearms-safety instructor certificate renewal, \$50; and
 - 18. Fingerprint and digital photo fee (optional), \$15.
- B.** In addition to the fees in subsections (A)(1), (A)(3), (A)(6), (A)(7), and (A)(9) through (A)(12), and (A)(16) and (A)(17), the Department shall collect a fee in the amount necessary to cover the cost of non-criminal justice fingerprint processing for a criminal history record check under A.R.S. § 41-1750(J).
- C.** If applicable equipment and personnel are available, and if an applicant makes a request, Department personnel shall take the applicant’s photograph and fingerprints upon submission of an application and payment of the fee listed in subsection (A)(18).
- D.** A person shall pay a fee by cash, cashier’s check, certified check, or money order made payable to the Arizona Department of Public Safety. Upon request, the Department shall accept another means of payment that the Department determines is in the state’s interest. All fees are non-refundable except if A.R.S. § 41-1077 applies.

R13-6-104. Identification Cards

- A.** The Department shall provide an identification card to the following licensees and certificate holders:
 - 1. Qualifying party.
 - 2. Resident manager.
 - 3. Associate.
 - 4. Security guard, and
 - 5. Armed security guard.
- B.** The Department shall ensure that an identification card includes the following information about the licensee or certificate holder:
 - 1. Name.
 - 2. Photograph.

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3. Physical description.
 4. Date of birth.
 5. License or registration certificate number, and
 6. License or registration certificate expiration date.
- C.** A licensee or certificate holder shall not assign or transfer an identification card. An identification card is valid only during the effective dates of the license or certificate under which the card is issued.
- D.** An armed security guard employed by more than one licensee shall pay the fee required under R13-6-103(A)(15) and obtain an identification card for each license under which the armed security guard is employed.
- E.** If an identification card is lost or stolen, the holder of the card shall notify the Department immediately in writing. The Department shall issue a duplicate identification card upon submission of the fee required under R13-6-103(A)(14).
- F.** A security guard shall have the security guard's identification card in the security guard's possession and display it when requested by the Department or any peace officer.

R13-6-105. Time-frames for Making License and Registration Determinations

- A.** For the purpose of A.R.S. § 41-1072, the Department establishes the following time-frames for every license issued under this Chapter:
1. Administrative completeness review time-frame: five days;
 2. Substantive review time-frame: 10 days; and
 3. Overall time-frame: 15 days.
- B.** An administratively complete application consists of all the information and documents listed in:
1. R-13-6-201 for an agency or resident manager license;
 2. R-13-6-301 for a security guard, armed security guard, or associate registration certificate; and
 3. R13-6-702 for a firearms-safety instructor certificate.
- C.** The administrative completeness review time-frame listed in subsection (A)(1) begins on the date the Department receives an application.
1. If the application is not administratively complete when received, the Department shall send a notice of deficiency to the applicant. The Department shall include in the deficiency notice a list of the documents and information needed to complete the application.
 2. Within 45 days from the date of the deficiency notice, the applicant shall submit to the Department the missing documents and information. The time-frame for the Department to finish the administrative completeness review is suspended from the date of the deficiency notice until the date the Department receives the missing documents and information.
 3. The Department and applicant may agree in writing to extend the 45-day period in subsection (C)(2) upon written request by the applicant before the end of the period.
 4. If the applicant fails to provide the missing documents and information within the time provided, the Department shall close the applicant's file. If an individual whose file is closed wants to be considered further for licensing, the individual shall submit a new application under R13-6-201, R13-6-301, or R13-6-702.
- D.** The substantive review time-frame listed in subsection (A)(2) begins on the date the Department determines an application is administratively complete.
1. During the substantive review time-frame, the Department may make one comprehensive written request for additional information. The Department and applicant may agree in writing to allow the Department to make a supplemental request for additional information.
 2. The applicant shall submit to the Department the additional information within 45 days from the date of the Department's comprehensive request. The time-frame for the Department to complete the substantive review of the application is suspended from the date of the comprehensive request for additional information until the Department receives the additional information.
 3. The Department and applicant may agree in writing to extend the 45-day period in subsection (D)(2) upon written request by the applicant before the end of the period.
 4. If the applicant fails to provide the additional information within the time provided, the Department shall close the applicant's file. If an individual whose file is closed wants to be considered further for licensing, the individual shall submit a new application under R13-6-201, R13-6-301, or R13-6-702.
 5. When the substantive review is complete, the Department shall inform the applicant in writing of its decision whether to grant or deny a license to the applicant.
 - a. The Department shall deny a license if it determines that the applicant does not meet all substantive criteria required by statute and rule. An applicant who is denied a license may appeal the Department's decision under A.R.S. Title 41, Chapter 6, Article 10.
 - b. The Department shall grant a license if it determines that the applicant meets all substantive criteria required by statute and rule.

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ARTICLE 2. AGENCY LICENSES

R13-2-201. Application for an Agency License

- A.** The individual who will be the qualifying party of an agency shall submit an application for an agency license. The qualifying party shall ensure that the application consists of:
- 1.** A complete application form that provides the following information about the applicant:
 - a.** Full name;
 - b.** Home address;
 - c.** Mailing address if different from the home address;
 - d.** Home and business telephone numbers;
 - e.** Height, weight, hair and eye colors, sex, and date and place of birth;
 - f.** Social Security number; and
 - g.** Any other name by which the applicant has ever been known;
 - 2.** Properly completed fingerprint card with classifiable fingerprints of the qualifying party;
 - 3.** Fees prescribed in R13-6-103;
 - 4.** Legible, notarized copy of a government-issued photo identification document for the qualifying party, such as a state identification card or motor vehicle driver license;
 - 5.** Two color photographs of the qualifying party suitable for use in making an identification card such as passport photos or 1" x 1 1/4" facial photos;
 - 6.** Exact details as to the character and nature of the qualifying party's required experience under A.R.S. § 32-2612;
 - 7.** Proof of U.S. citizenship or legal resident status with authorization to seek employment by providing one document from List A on U.S. Department of Justice Form I-9 or one document from both Lists B and C. The Department shall return original documents to the applicant;
 - 8.** The following information about the agency:
 - a.** The name under which the agency will do business and if required under R13-6-207, a copy of the trade name registration provided by the Arizona Secretary of State's Office;
 - b.** The principal business address;
 - c.** The principal business mailing address if different from the principal business address; and
 - d.** A brief statement describing the nature of the business in which the agency will engage;
 - 9.** If the business form is not a sole proprietorship:
 - a.** Partnership agreement, articles of organization, or articles of incorporation; and
 - b.** From each partner, officer, director, and member of the agency, an application for registration certificate as described in R13-6-301;
 - 10.** If the agency is a foreign corporation, evidence of Arizona Corporation Commission approval to transact business in Arizona;
 - 11.** If the agency will maintain a branch office, the notice required under R13-6-204 to obtain a branch office certificate; and
 - 12.** The following information required for approval of uniforms, badges, patches, and insignia under A.R.S. § 32-2635:
 - a.** Color photographs showing the front, back, and both sides of all uniforms;
 - b.** A full-size color copy or example of the agency patch;
 - c.** A full-size color copy of the agency badge or, if no badge will be used, a written statement of this fact;
 - d.** Color photographs showing the front, back, and both sides of agency vehicles;
 - e.** Close-up color photograph of insignia on agency vehicles; and
 - f.** Color photographs showing the front and back of any light bar on agency vehicles.
- B.** The applicant shall sign the completed application form before a notary public, authorize the Department to obtain information about the applicant from any person or entity, and certify that all information provided is true and correct.
- C.** If an agency will have a resident manager, the resident manager shall use the application form described under this Section and provide the information required under subsections (A)(1) through (A)(7).

R13-6-202. Issuance of an Agency License

- A.** The Department shall notify an applicant when the agency license is ready for issuance. The applicant has 90 days from the date of notification to:
- 1.** Pay applicable license fees;
 - 2.** Provide a certificate of liability insurance showing at least \$100,000 coverage for any one person and \$300,000 coverage for any one event and naming the Department as the certificate holder; and
 - 3.** If the agency will have employees, provide a certificate of workers' compensation insurance that names the Department as the certificate holder.
- B.** If an applicant does not provide the required information within 90 days, the Department shall deny the applicant a license and the application fee is forfeited.
- C.** An applicant for an agency license or renewal may request to pick up the license at the Department's office in Phoenix. If

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no request is made, the Department shall send the license to the mailing address of the applicant.

- D. The Department shall ensure that an agency license contains the name and street address of the licensed business and the number of the license.
- E. The qualifying party shall post the agency license in a conspicuous place in the principal business office.
- F. The qualifying party shall not assign or transfer the agency license.
- G. The qualifying party shall notify the Department in writing within 15 business days of any change of address of the principal office.
- H. If the qualifying party surrenders the agency license before the expiration date, the Department shall not refund any portion of the license fee.

R13-6-203. Agency License Renewal

- A. An agency license expires on the date specified on the license. A qualifying party may submit a renewal application to the Department up to 60 days before the expiration date.
- B. The qualifying party shall provide the information required under R13-6-201 with the renewal application.
- C. If the qualifying party fails to submit a renewal application before the expiration date, the qualifying party and each partner, member, officer, director, resident manager, and employee shall cease performing private security guard services subject to regulation by A.R.S. Title 32, Chapter 26.
- D. The Department shall not renew an agency license if a renewal application is filed more than 90 days after the expiration date on the agency license. If more than 90 days elapse after the expiration date on the agency license, the former qualifying party may resume providing security guard services only by obtaining a new license under R13-6-201.

R13-6-204. Branch Office Certificate

- A. A qualifying party shall not operate a branch office unless the qualifying party obtains a branch office certificate. To obtain a branch office certificate, the qualifying party shall provide written notice of the branch office address to the Department.
- B. The Department shall ensure that a branch office certificate contains the agency name, license number, expiration date, and address of the branch office.
- C. A branch office certificate expires on the date the agency license expires and is renewed when the agency license is renewed.
- D. The qualifying party shall post the branch office certificate in a conspicuous place in the branch office.
- E. The qualifying party shall notify the Department in writing within 15 business days of any change of address for the branch office.

R13-6-205. Change of Qualifying Party

- A. Within 15 business days after the qualifying party leaves an agency, each partner, member, officer, director, resident manager, and employee of the agency shall cease performing private security guard services subject to regulation by A.R.S. Title 32, Chapter 26, unless the requirement in subsection (B) is met.
- B. Before the agency may resume performing private security guard services, an individual who meets the requirements of a qualifying party shall submit an application for a new agency license under R13-6-201.

R13-6-206. Restructure of an Agency

- A. If an application for restructure is made at the time of license renewal, the Department shall waive the restructure fee in R13-6-103. If an application for restructure is made at other than the time of license renewal, the agency shall pay the restructure fee.
- B. The qualifying party shall submit an application for restructure for the agency. Any new partner, officer, director, or member of the agency shall meet the requirements of A.R.S. § 32-2622 and submit the application required under R13-6-301.
- C. To change a sole proprietorship to a partnership, the applicant shall provide a partnership agreement with notarized signatures of the partners.
- D. To change a corporation to a partnership, the applicant shall provide documentation of dissolving the corporation and a partnership agreement with notarized signatures of the partners.
- E. To change a corporation to a sole proprietorship, the applicant shall provide documentation of dissolving the corporation.
- F. To change a sole proprietorship or partnership to a corporation, the applicant shall provide the Articles of Incorporation bearing the approval stamp of the Arizona Corporation Commission. If the change is to a foreign corporation, the applicant shall submit documentation of Arizona Corporation Commission approval for the foreign corporation to transact business in Arizona.
- G. To change a partnership to a sole proprietorship, the applicant shall provide documentation of dissolving the partnership.

R13-6-207. Business Name

- A. The Department shall not grant a license to an agency with a name that includes the words "United States," "Federal," "State of Arizona," "Police," or "Bureau of Investigation," or a name that associates the business with any governmental or law enforcement agency.
- B. The Department shall not grant a license to an agency with a name that includes "corporation," "corp.," "incorporated."

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“Inc.” or “L.L.C.” unless corporation papers are filed with the Arizona Corporation Commission or approval to operate as a foreign corporation is obtained from the Arizona Corporation Commission.

- C. The Department shall not issue a license to a corporation or limited liability company using a trade name unless the trade name is registered with the Arizona Secretary of State’s Office. A sole proprietorship or partnership may, but is not required to, register a trade name.
- D. The Department shall not approve a new business name that is similar to the business name of a currently licensed agency.
- E. The qualifying party of an agency, resident manager, and agency associates and employees shall do business and present themselves under the name on the agency license.
- F. A qualifying party shall do all business under the name and at the address that is on file with the Department and noted on the agency license. The qualifying party shall ensure that both the agency name and license number are listed on all letter-head and business cards and included in advertising and contracts with clients.

ARTICLE 3. REGISTRATION CERTIFICATES

R13-6-301. Application for Registration Certificate

- A. Before a registration certificate application is submitted, the qualifying party of the agency shall:
 - 1. Determine that the applicant meets the requirements of A.R.S. § 32-2622.
 - 2. Assess the accuracy of the information provided by the applicant.
 - 3. Verify proof of U.S citizenship or legal resident status with authorization to seek employment by examining either one document from List A on U.S. Department of Justice Form I-9 or one document from both Lists B and C, and
 - 4. Ensure that the application includes:
 - a. A properly completed application form that provides the following information about the applicant:
 - i. Full name;
 - ii. Home address;
 - iii. Mailing address if different from the home address;
 - iv. Home and business telephone numbers;
 - v. Social Security number; and
 - vi. Height, weight, sex, hair and eye colors, and date and place of birth;
 - b. The applicant’s signature certifying that the information provided is true and correct;
 - c. Two color photographs suitable for use in making an identification card such as passport photos or 1” x 1 1/4” facial photos;
 - d. A properly completed fingerprint card with classifiable fingerprints;
 - e. The fee required under R13-6-103(A)(9) or (A)(11);
 - f. If applicable, the training verification form described in R13-6-601(C); and
 - g. If applicable, the firearms-safety training verification form described in R13-6-603(C);
- B. An associate, security guard, or armed security guard registrant shall conduct business and be identified under the name used on the application and the registration certificate. The Department shall not approve a fictitious name for use on an associate, security guard, or armed security guard registration certificate.
- C. If an applicant for an armed security guard registration is employed by more than one agency, the applicant shall submit an application with the words “Additional Employer” written across the top of the application, submit the fee under R13-6-103, and meet the requirements of this Section. The applicant’s additional employer armed security guard registration certificate expires on the date specified on the applicant’s initial armed security guard registration certificate.

R13-6-302. Renewal of Registration Certificate

- A. An associate, security guard, or armed security guard registration certificate expires on the date specified on the registration certificate. An associate, security guard, or armed security guard may submit a renewal application to the Department up to 60 days before the expiration date.
- B. The Department shall not renew a registration certificate unless the application is complete and contains:
 - 1. The information required under R13-6-301(A)(4)(a) through (A)(4)(d);
 - 2. The fee required under R13-6-103(A)(10) or (A)(12);
 - 3. If applicable, the refresher training verification form described in R13-6-602(C); and
 - 4. If applicable, the refresher firearms-safety training verification form described in R13-6-603(C).
- C. If an associate, security guard, or armed security guard fails to submit a renewal application before the expiration date, the associate, security guard, or armed security guard shall cease performing private security guard services subject to regulation by A.R.S. Title 32, Chapter 26.

R13-6-303. Lost or Stolen Registration Certificate or Identification Card

If a registration certificate or identification card is lost or stolen, the registrant shall notify the Department immediately and request a new registration certificate or identification card and pay the fee under R13-6-103(A)(14).

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R13-6-304. Change in Name of Registrant

- A.** A registrant whose name changes shall notify the Department in writing within 15 days of the name change and may request a new identification card.
- B.** The registrant shall include with the notice of name change a government-issued photo identification card with the new name or a certified court document recording the name change and the fee under R13-6-103.

ARTICLE 4. APPEALS; COMPLAINTS; RECORDS

R13-6-401. Denial of Agency License or Registration Certificate

- A.** The Department shall deny an agency license or registration certificate to an applicant if the Department determines that the applicant does not meet the requirements of A.R.S. § 32-2612 or 32-2622, or there are grounds for denial under A.R.S. § 32-2640 or 32-2641. The Department shall send a notice of denial to the applicant at the address on file with the Department. The Department shall ensure that the notice of denial meets the requirements at A.R.S. § 41-1092.03(A).
- B.** If a request for hearing is received, the Department shall:
 - 1.** Send a notice of the date and time of the hearing to the applicant.
 - 2.** Set the hearing date at least 30 days after the date of the notice, and
 - 3.** Hold the hearing before the Board.
- C.** If the applicant does not appear at the scheduled hearing, the Board shall conduct the hearing in the applicant's absence.
- D.** Within 20 days after conclusion of the hearing, the Board shall prepare findings of fact, conclusions of law, and a recommendation for the Director.
- E.** Within 30 days after receiving a copy of the recommendation, the Director shall adopt the recommendation in its entirety, modify it, or decide the case upon the record and issue a final decision.
- F.** The Department shall send a copy of the Director's final decision to the applicant at the address on file with the Department.
- G.** A denied applicant shall not apply again for at least one year from the date of denial.

R13-6-402. Probation of Agency Licensee or Registrant

Upon recommendation of the Board, the Director may fix a period and terms of probation to protect the public health or safety or to rehabilitate or educate a licensee or registrant. A licensee may continue to operate and a registrant may continue to perform the duties of security guard or armed security guard during a period of probation subject to the terms established by the Director.

R13-6-403. Employee and Business Records

- A.** A qualifying party shall maintain at the principal place of business, a file or record of the name, street address, title, employment date, and date of termination of each resident manager, partner, officer, director, member, security guard, and armed security guard for at least five years from the date of termination.
- B.** The qualifying party shall make the files or records available for inspection by any peace officer, personnel of the Department's licensing section, or other designated representative of the Department.
- C.** The qualifying party shall submit a copy of the files or records and information pertaining to the files or records to the Department upon request.

R13-6-404. Complaints

- A.** A person may file with the Department a written complaint against a person regulated under this Chapter. After receiving a complaint, the Department shall investigate to determine whether the allegation, if true, amounts to a violation of statute or rule. The Department may forward a copy of the complaint to the person against whom the complaint is made and request that the person respond.
- B.** At the conclusion of the investigation, the Department shall forward a copy of the complaint to the person against whom the complaint is made and the Director shall take an action listed in A.R.S. § 32-2636.

ARTICLE 5. UNIFORMS AND VEHICLES

R13-6-501. Uniforms, Badges, and Insignia

- A.** Uniforms are classified as either traditional or casual.
- B.** A traditional uniform consists of slacks and a collared, buttoned-down, long- or short-sleeve shirt, which may be worn with or without a tie. A traditional uniform shall have:
 - 1.** A patch on each shoulder of the shirt that is a minimum of two inches by three inches in size and bears the name of the agency;
 - 2.** A patch or badge on the left breast of the shirt that is a minimum of 1.5 inches by two inches in size and bears the name of the agency; and

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3. If the patches and badge do not contain the words "Security" or "Security Guard," the words "Security" or "Security Guard" in letters that are at least 1/2 inch high and directly below each shoulder patch and the breast patch or badge.
- C.** A casual uniform consists of a polo shirt or T-shirt and either shorts or pants. A casual uniform shall have:
 1. A patch on each shoulder of the shirt that is a minimum of two inches by three inches in size and bears the name of the agency;
 2. A patch or badge on the left breast of the shirt that is a minimum of 1.5 inches by two inches in size and bears the name of the agency;
 3. If the patches and badge do not contain the words "Security" or "Security Guard," the words "Security" or "Security Guard" in letters that are at least 1/2 inch high and directly below each shoulder patch and the breast patch or badge; and
 4. A patch across the back of the shirt bearing the words "Security" or "Security Guard" in letters that are at least three inches high
- D.** If a security guard wears a jacket or coat with a traditional or casual uniform, the jacket or coat shall have:
 1. A patch on each shoulder of the jacket or coat that is a minimum of two inches by three inches in size and bears the name of the agency;
 2. A patch or badge on the left breast of the jacket or coat that is a minimum of 1.5 inches by two inches in size and bears the name of the agency;
 3. If the patches and badge do not contain the words "Security" or "Security Guard," the words "Security" or "Security Guard" in letters that are at least 1/2 inch high and directly below each shoulder patch and the breast patch or badge; and
 4. A patch across the back of the jacket or coat bearing the words "Security" or "Security Guard" in letters that are at least three inches high.
- E.** The patches on a traditional or casual uniform or security guard jacket or coat may be sewed on, embroidered, or imprinted.
- F.** The Department shall not approve a uniform, badge, patch, or insignia that bears markings similar to the markings of a law enforcement agency of the federal or state government or a political subdivision of the state.
- G.** The Department shall not approve a uniform, badge, patch, or insignia that bears the words "Police," "Officer," "Patrolman," "Deputy," "Marshall," "Agent," "Sheriff," or any other word that could cause a reasonable person to confuse a security guard with law enforcement personnel.
- H.** The Department shall not approve a uniform that consists of the color combinations blue over blue, tan over tan, tan over brown, or black over black. The Department shall determine on an individual basis whether other color combinations may cause a reasonable person to confuse a security guard with law enforcement personnel. A security guard jacket or coat may be any color if the jacket or coat meets the requirements in this Section.
- I.** The qualifying party shall ensure that a security guard employed by the security guard agency does not wear a uniform, badge, or patch or use an insignia that is not approved by the Department.

R13-6-502. Business Attire and Plain Clothes

A security guard who is wearing business attire or plain clothes rather than a uniform described in R13-5-501 shall not display a badge.

R13-6-503. Vehicle Markings, Emblems, and Insignia

- A.** The qualifying party shall ensure that a vehicle under the control of a security guard agency does not bear markings similar to the vehicle markings used by a law enforcement agency of the federal or state government or a political subdivision of the state.
- B.** The qualifying party shall ensure that emblems, seals, and other insignia on a vehicle under the control of a security guard agency do not bear the words "Police," "Officer," "Patrolman," "Deputy," "Marshall," "Sheriff," "Agent," or any other word that could cause a reasonable person to confuse the vehicle with a law enforcement vehicle.
- C.** The qualifying party shall ensure that all markings, emblems, seals, and other insignia displayed on a vehicle under the control of a security guard agency have written approval from the Department before being displayed.
- D.** A vehicle under the control of a security guard agency is not an authorized emergency vehicle. The operator of a vehicle under the control of a security guard agency shall comply with all traffic-control laws.
- E.** The qualifying party shall ensure that a vehicle under the control of a security guard agency is not equipped with a siren or bell unless the vehicle is an armored car equipped with a siren as a crime alarm device.

ARTICLE 6. TRAINING

R13-6-601. Security Guard Pre-assignment Training

- A.** The qualifying party of a security guard agency shall ensure that a person employed as a security guard by the agency completes eight hours of pre-assignment training before applying for and being granted a security guard registration certificate.

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- B.** The qualifying party shall ensure that the curriculum established by the Department is used for the eight-hour pre-assignment training. The curriculum consists of:
1. Orientation.
 2. Criminal law and laws of arrest.
 3. Uniform and grooming.
 4. Communications.
 5. Use of force.
 6. General security guard procedures.
 7. Crime scene preservation and first response.
 8. Ethics, and
 9. Emergency response procedures.
- C.** After a security guard completes the eight-hour pre-assignment training, the qualifying party shall complete a training verification form and:
1. The security guard shall sign the form affirming completion of the training;
 2. The instructor shall sign the form affirming that the security guard completed the training;
 3. The qualifying party shall sign the form affirming that the security guard met the training requirements of A.R.S. § 32-2632; and
 4. The security guard shall submit the form with the application described under R13-6-301.

R13-6-602. Security Guard Refresher Training

- A.** The qualifying party of a security guard agency shall ensure that a person employed as a security guard by the agency completes eight hours of refresher training before renewing the security guard's registration certificate.
- B.** The qualifying party shall ensure that the curriculum established by the Department is used for the eight-hour refresher training. The curriculum consists of:
1. Criminal law and laws of arrest.
 2. Use of force.
 3. General security guard procedures.
 4. Crime scene preservation and first response.
 5. Ethics, and
 6. Emergency response procedures.
- C.** After the security guard completes the eight-hour refresher training, the qualifying party shall complete a training verification form and:
1. The security guard shall sign the form affirming completion of the refresher training;
 2. The instructor shall sign the form affirming that the security guard completed the refresher training;
 3. The agency qualifying party shall sign the form affirming that the security guard met the refresher training requirements of A.R.S. § 32-2632; and
 4. The security guard shall submit the form with the renewal application described in R13-6-302.

R13-6-603. Armed Security Guard Pre-assignment and Refresher Training

- A.** The qualifying party of a security guard agency shall ensure that in addition to completing the pre-assignment training described in R13-6-601 and refresher training described in R13-6-602, a security guard who will use a firearm within the scope of the security guard's employment with the agency completes:
1. Sixteen hours of firearms-safety instruction before being assigned to a position requiring that a firearm be carried, and
 2. Eight hours of refresher firearms-safety instruction before renewing the security guard's registration certificate.
- B.** The qualifying party shall ensure that firearms-safety training is provided by an instructor who is certified by the Department under R13-6-702 and uses the curriculum established by the Department.
- C.** After the armed security guard completes the sixteen hours of pre-assignment firearms-safety training or the eight hours of refresher firearms-safety training, the qualifying party shall complete a training verification form and:
1. The armed security guard shall sign the form affirming completion of the firearms-safety training;
 2. The instructor shall sign the form affirming that the armed security guard completed the firearms-safety training;
 3. The agency qualifying party shall sign the form affirming that the armed security guard met the firearm-safety training requirements of A.R.S. § 32-2632; and
 4. The armed security guard shall submit the form with the application described in R13-6-301 or R13-6-302.

ARTICLE 7. FIREARMS-SAFETY TRAINING INSTRUCTORS

R13-6-701. Qualifications of a Firearms-safety Instructor

Only an individual who meets the following qualifications is eligible to be certified by the Department under A.R.S. § 32-2632 as a firearms-safety instructor:

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1. Is a resident of this state or a U.S. citizen;
2. Is at least 21 years old;
3. Is not under indictment for and has not been convicted in any jurisdiction of a felony;
4. Does not suffer from mental illness and has not been adjudicated mentally incompetent or committed to a mental institution;
5. Is not unlawfully present in the United States;
6. Is not a prohibited possessor; and
7. Possesses current evidence of completing one of the following firearms-safety training instructor programs:
 - a. Arizona Basic Police Firearms Instructor training provided by the Arizona Peace Officers Standards and Training Board;
 - b. Police Firearms Instructor Development School provided by the National Rifle Association;
 - c. Law Enforcement Security Firearms Instructor Development School provided by the National Rifle Association;
 - d. Training provided by the National Rifle Association that results in rating as one of the following:
 - i. Pistol Instructor and Personal Protection Instructor;
 - ii. Law Enforcement Tactical Handgun Instructor, or
 - iii. Law Enforcement Handgun or Shotgun Instructor; or
 - e. Firearms Instructor Training Program provided by a federal law enforcement agency.

R13-6-702. Application for Certification as a Firearms-safety Instructor

- A.** To be certified as a firearms-safety instructor, an individual shall provide the following to the Department:
1. A completed application form with the following information:
 - a. Full legal name;
 - b. Home address, including ZIP code and county;
 - c. Mailing address if different from the home address;
 - d. E-mail address;
 - e. Social Security number;
 - f. Driver license number or state identification card number and state of issuance;
 - g. Home, business, and mobile telephone numbers;
 - h. National origin or race, sex, height, weight, eye and hair colors, and date and place of birth; and
 - i. A statement whether the individual suffers from mental illness or has been adjudicated mentally incompetent or committed to a mental institution;
 2. A properly completed fingerprint card with classifiable fingerprints, unless the individual is currently registered as a firearms-safety instructor under A.R.S. § 13-3112;
 3. The current evidence of completion referenced in R13-6-701(7); and
 4. The fees required under R13-6-103.
- B.** If an individual is qualified under R13-6-701 and complies with the requirements in this Section, the Department shall certify the individual as a firearms-safety instructor.

R13-6-703. Firearms-safety Instructor Certification Renewal

- A.** A certified firearms-safety instructor shall renew the instructor's certification every two years by providing the following to the Department:
1. A completed application form with the information listed in R13-6-702(A)(1);
 2. A properly completed fingerprint card with classifiable fingerprints unless currently registered as a firearms-safety instructor under A.R.S. § 13-3112;
 3. The current evidence of completion referenced in R13-6-701(7); and
 4. The renewal fee required under R13-6-103.
- B.** Upon verification that the firearms-safety instructor is qualified under R13-6-701 and complied with this Section, the Department shall renew the firearms-safety instructor's certification.

R13-6-704. Requirements of a Firearms-safety Instructor

A firearms-safety instructor shall:

1. Conduct only firearms-safety training programs that are established by the Department;
2. Conduct Department-established firearms-safety training programs only in this state;
3. Maintain for five years the following firearms-safety training records regarding each individual to whom training is provided:
 - a. Name and age of the individual at the time training started;
 - b. Date and number of hours of each training session;
 - c. Location of each training session;
 - d. Name of the security guard agency or firearms-safety training organization sponsoring the training session;

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- e. Title and Department-assigned number of the training program; and
- f. Whether the individual passed, failed, or withdrew from the training program; and
- 4. Make the firearms-safety training records referenced in subsection (3) available for inspection upon request by the Department.

NOTICE OF FINAL RULEMAKING

TITLE 13. PUBLIC SAFETY

CHAPTER 12. PRIVATE INVESTIGATOR AND SECURITY GUARD HEARING BOARD

[R06-266]

PREAMBLE

1. Sections Affected

Article 1
R13-12-101
R13-12-102
R13-12-103
R13-12-104
R13-12-105
R13-12-106
R13-12-107
R13-12-108

Rulemaking Action

New Article
New Section
New Section
New Section
New Section
New Section
New Section
New Section
New Section

2. The statutory authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):

Authorizing statute: A.R.S. § 32-2405(A)(4)

Implementing statute: A.R.S. §§ 32-2412 and 32-2609

3. The effective date of the rules:

July 11, 2006

The rules will be effective when filed with the Office of the Secretary of State because the exception at A.R.S. § 41-1032(A)(3) applies. A.R.S. §§ 32-2412 and 32-2609, which are the statutes that authorize the Hearing Board to grant a good-cause exception, were enacted by the legislature during its 2005 session and become effective on July 1, 2006. An immediate effective date is needed to enable the Hearing Board to begin acting on applications for a good-cause exception when the statutes become effective. The need for an immediate effective date does not result from delay or inaction by the Board.

4. A list of all previous notices appearing in the Register addressing the final rule:

Notice of Rulemaking Docket Opening: 12 A.A.R. 766, March 10, 2006

Notice of Proposed Rulemaking: 12 A.A.R. 958, March 31, 2006

5. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:

Name: Lieutenant Laurence Burns, Licensing and Regulatory Bureau Commander

Address: P. O. Box 6638
Mail drop 1160
Phoenix, AZ 85005-6638

Telephone: (602) 223-2387

Fax: (602) 223-2928

E-mail: lburns@azdps.gov

6. An explanation of the rule, including the agency's reason for initiating the rule:

Beginning July 1, 2006, the Private Investigator and Security Guard Hearing Board is required to hold hearings regarding a good-cause exception, which, if granted, will enable an otherwise disqualified individual to be licensed as a private investigator or security guard. These rules establish the procedures for applying for and granting or denying a good-cause exception.

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7. A reference to any study relevant to the rule that the agency reviewed and either relied on in its evaluation of or justification for the rule or did not rely on in its evaluation of or justification for the rule, where the public may obtain or review each study, all data underlying each study, and any analysis of each study and other supporting material:
None
8. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:
Not applicable
9. The summary of the economic, small business, and consumer impact:
The rules, which are procedural, will have minimal economic impact. Most of the economic impact results from the statutes that create the Private Investigator and Security Guard Hearing Board and the good-cause exception for individuals denied a private investigator or security guard license because of a felony conviction. The economic impact of the rules results only from the application and hearing requirements.

Because the prerequisites for obtaining a good-cause exception are so stringent, the Department expects that few individuals will be eligible to apply. The economic benefit to an individual who is able to obtain a good-cause exception and become licensed as a private investigator or security guard will be significant but, this benefit results from statute rather than rule.
10. A description of the changes between the proposed rules, including supplemental notices, and final rules (if applicable):
Only minor changes were made between the proposed and final rules. This includes specifying the number of copies of application materials that must be submitted by an applicant and clarifying that a hearing will be scheduled only for an individual who meets the definition of "applicant." None of the changes is substantial.
11. A summary of the comments made regarding the rule and the agency response to them:
An oral proceeding was held on May 4, 2006. No one attended. No written comments were received.
12. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:
None
13. Incorporations by reference and their location in the rules:
None
14. Was this rule previously made as an emergency rule?
No.
15. The full text of the rules follows:

TITLE 13. PUBLIC SAFETY

CHAPTER 12. PRIVATE INVESTIGATOR AND SECURITY GUARD HEARING BOARD

ARTICLE 1. PRIVATE INVESTIGATOR AND SECURITY GUARD HEARING BOARD

Section	
<u>R13-12-101.</u>	<u>Definitions</u>
<u>R13-12-102.</u>	<u>Good-cause Exception Prerequisites</u>
<u>R13-12-103.</u>	<u>Application for a Good-cause Exception</u>
<u>R13-12-104.</u>	<u>Hearing on Good-cause Exception</u>
<u>R13-12-105.</u>	<u>Vacating, Rescheduling, or Continuing a Hearing</u>
<u>R13-12-106.</u>	<u>Telephonic Testimony</u>
<u>R13-12-107.</u>	<u>Failure to Appear</u>
<u>R13-12-108.</u>	<u>Notice of Decision</u>

ARTICLE 1. PRIVATE INVESTIGATOR AND SECURITY GUARD HEARING BOARD

R13-12-101. Definitions

The following definitions apply to this Article:

"Applicant" means an individual who meets the prerequisites in R13-12-102.

"Board" means the Private Investigator and Security Guard Hearing Board.

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“Department” means the Arizona Department of Public Safety.

“Department’s notice” means a notice of denial issued by the Department under A.R.S. § 32-2640, 32-2641, or 32-2459.

R13-12-102. Good-cause Exception Prerequisites

The Board shall consider an individual for a good-cause exception only if:

1. The individual:
 - a. Is denied a security guard agency license under A.R.S. § 32-2640 for failure to qualify under A.R.S. § 32-2612(A)(3);
 - b. Is denied an associate, security guard, or armed security guard registration certificate under A.R.S. § 32-2641 for failure to qualify under A.R.S. § 32-2622(A)(3);
 - c. Is denied a private investigator agency license under A.R.S. § 32-2459 for failure to qualify under A.R.S. § 32-2422(A)(3); or
Is denied a private investigator associate or employee registration certificate under A.R.S. § 32-2459 for failure to qualify under A.R.S. § 32-2441(A)(3);
2. The individual completed all terms of sentencing imposed as a result of all felony convictions; and
3. The individual completed all terms of sentencing imposed as a result of all felony convictions at least 10 years before the date on the Department’s notice.

R13-12-103. Application for a Good-cause Exception

A. To apply for a good-cause exception, an applicant shall submit eight copies of the following materials to the Board within 60 days from the date on the Department’s notice:

1. A good-cause exception application form, which is available from the Department, that includes the following information about the applicant:
 - a. Full legal name;
 - b. Any other names ever used;
 - c. Date of birth;
 - d. Mailing address;
 - e. Home and daytime telephone numbers;
 - f. List of all of applicant’s felony arrests not listed on the Department’s notice;
 - g. Detailed description of all of applicant’s felony arrests including:
 - i. Circumstances leading to the arrest;
 - ii. Who else was involved in the event leading to the arrest;
 - iii. Where and when the event occurred;
 - iv. Mitigating circumstances, if any;
 - v. Disposition of the charge;
 - vi. Terms of sentencing, if any; and
 - vii. Whether the sentencing terms have been completed satisfactorily; and
 - h. Applicant’s notarized signature certifying that the information provided is true and correct;
2. Two letters of reference, on a form prescribed by the Board, that attest to the applicant’s rehabilitation and meet the following requirements:
 - a. Both letters of reference are from individuals who have known the applicant at least one year; and
 - b. At least one letter of reference is from the applicant’s current or former employer or an individual who has known the applicant at least three years;
3. If the Department’s notice indicates that the Department was unable to determine the disposition of a felony charge, a copy of documents from the appropriate court showing the disposition of the felony charge or showing that records regarding the felony charge against the applicant either do not exist or have been purged; and
4. For every felony conviction, regardless of whether the conviction is listed on the Department’s notice, a copy of documents from the appropriate court showing that the applicant met all judicially imposed sentencing terms or that records regarding the applicant either do not exist or have been purged.

B. An applicant may submit other documents that the applicant wants the Board to consider in determining whether to grant a good-cause exception.

R13-12-104. Hearing on Good-cause Exception

A. The Board shall schedule a hearing regarding a good-cause exception for an applicant to occur within 60 days after receiving the materials described in R13-12-103.

B. The Board shall provide the applicant with at least 30 days notice of the date, time, and location of the hearing on the applicant’s application for a good-cause exception.

C. The applicant may be represented at the hearing.

D. If the applicant plans to present written evidence at the hearing that was not included with the application, the applicant shall submit the written evidence to the Board through the Department at least five days before the hearing.

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- E.** The Board shall conduct the hearing in an informal manner without adherence to the rules of evidence required in a judicial proceeding.
- F.** At the hearing, the applicant shall show to the Board's satisfaction that the applicant:
 - 1. Has never been convicted of an offense listed in A.R.S. § 41-1758.03(B), and
 - 2. Is not awaiting trial on an offense listed in A.R.S. § 41-1758.03(B).
- G.** At the hearing, the applicant has the burden of persuading the Board that the applicant should be granted a good-cause exception.
- H.** In deciding whether to grant a good-cause exception, the Board shall consider:
 - 1. The extent of the applicant's criminal record;
 - 2. The length of time that has elapsed since the most recent offense was committed;
 - 3. The nature of the offense;
 - 4. Evidence supporting any applicable mitigating circumstances;
 - 5. Evidence supporting the degree to which the applicant participated in the offense; and
 - 6. Evidence supporting the extent of the applicant's rehabilitation, including:
 - a. Completion of probation, parole, or community supervision;
 - b. Whether the applicant paid restitution or other compensation for the offense;
 - c. Evidence of positive action to change criminal behavior such as completing a drug-treatment program or counseling; and
 - d. Personal references attesting to the applicant's rehabilitation.

R13-12-105. Vacating, Rescheduling, or Continuing a Hearing

- A.** Vacating a hearing. If an applicant withdraws the applicant's application for a good-cause exception, the Board shall vacate the hearing regarding the application.
- B.** Rescheduling a hearing. The Board shall reschedule a hearing if the applicant submits a written request to the Board at least 48 hours before the scheduled hearing that demonstrates:
 - 1. Attending the scheduled hearing is impossible using reasonable diligence or will cause undue hardship; and
 - 2. Rescheduling the hearing will avoid prejudice.
- C.** Continuing a hearing. The Board shall continue a hearing if the continuance will serve administrative convenience, expedience, or economy and avoid prejudice.

R13-12-106. Telephonic Testimony

The Board shall allow an applicant or a witness for the applicant to provide telephonic testimony at the hearing on the applicant's application for a good-cause exception if:

- 1. The applicant submits a written request to the Board at least 48 hours before the scheduled hearing that demonstrates:
 - a. Personal appearance at the hearing by the applicant or applicant's witness will cause undue hardship, and
 - b. Telephonic presence will not cause prejudice, and
- 2. The applicant pays all costs resulting from the telephonic appearance.

R13-12-107. Failure to Appear

If an applicant or the applicant's representative fails to appear at the scheduled hearing, the Board shall:

- 1. Conduct the hearing and decide whether to grant or deny the good-cause exception based on the evidence previously submitted, or
- 2. Reschedule the hearing.

R13-12-108. Notice of Decision

- A.** Within seven business days after concluding the hearing regarding a good-cause exception for an applicant, the Board shall provide written notice to the applicant that the good-cause exception has been granted or denied.
- B.** The Board shall provide to the Department a copy of the written notice granting or denying a good-cause exception so the Department can take any needed action regarding the applicant's application for licensure.